103D CONGRESS 2D SESSION

H. R. 3342

IN THE SENATE OF THE UNITED STATES

August 9 (legislative day, August 8), 1994 Received; read twice and referred to the Committee on Commerce, Science, and Transportation

AN ACT

To establish a toll free number in the Department of Commerce to assist consumers in determining if products are American-made.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. ESTABLISHMENT OF TOLL FREE NUMBER
- 4 **PILOT PROGRAM.**
- 5 (a) ESTABLISHMENT.—If the Secretary of Commerce
- 6 determines, on the basis of comments submitted in rule-
- 7 making under section 2, that—

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| 1 | (1) interest among manufacturers is sufficient |
| 2 | to warrant the establishment of a 3-year toll free |
| 3 | number pilot program, and |
| 4 | (2) manufacturers will provide fees under sec- |
| 5 | tion 2(c) so that the program will operate without |
| 6 | cost to the Federal Government, |
| 7 | the Secretary shall establish such program solely to help |
| 8 | inform consumers whether a product is made in America |
| 9 | or the equivalent thereof. The Secretary shall publish the |
| 10 | toll-free number by notice in the Federal Register. |
| 11 | (b) Contract.—The Secretary of Commerce shall |
| 12 | enter into a contract for— |
| 13 | (1) the establishment and operation of the toll |
| 14 | free number pilot program provided for in subsection |
| 15 | (a), and |
| 16 | (2) the registration of products pursuant to |
| 17 | regulations issued under section 2, |
| 18 | which shall be funded entirely from fees collected under |
| 19 | section 2(c). |
| 20 | (c) USE.—The toll free number shall be used solely |
| 21 | to inform consumers as to whether products are registered |
| 22 | under section 2 as made in America or the equivalent |
| 23 | thereof. Consumers shall also be informed that registra- |

24 tion of a product does not mean—

| 1 | (1) that the product is endorsed or approved by |
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| 2 | the Government, |
| 3 | (2) that the Secretary has conducted any inves- |
| 4 | tigation to confirm that the product is a product |
| 5 | which meets the definition of made in America or |
| 6 | the equivalent thereof, or |
| 7 | (3) that the product contains 100 percent Unit- |
| 8 | ed States content. |
| 9 | SEC. 2. REGISTRATION. |
| 10 | (a) Proposed Regulation.—The Secretary of |
| 11 | Commerce shall propose a regulation— |
| 12 | (1) to establish a procedure under which the |
| 13 | manufacturer of a product may voluntarily register |
| 14 | such product as complying with the definition of a |
| 15 | product made in America or the equivalent thereof |
| 16 | and have such product included in the information |
| 17 | available through the toll free number established |
| 18 | under section 1(a); |
| 19 | (2) to establish, assess, and collect a fee to |
| 20 | cover all the costs (including start-up costs) of reg- |
| 21 | istering products and including registered products |
| 22 | in information provided under the toll-free number; |
| 23 | (3) for the establishment under section 1(a) of |

the toll-free number pilot program; and

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| 1 | (4) to solicit views from the private sector con- |
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| 2 | cerning the level of interest of manufacturers in reg- |
| 3 | istering products under the terms and conditions of |
| 4 | paragraph (1). |
| 5 | (b) PROMULGATION.—If the Secretary determines |
| 6 | based on the comments on the regulation proposed under |
| 7 | subsection (a) that the toll-free number pilot program and |
| 8 | the registration of products is warranted, the Secretary |
| 9 | shall promulgate such regulations. |
| 10 | (c) REGISTRATION FEE.— |
| 11 | (1) IN GENERAL.—Manufacturers of products |
| 12 | included in information provided under section 1 |
| 13 | shall be subject to a fee imposed by the Secretary |
| 14 | of Commerce to pay the cost of registering products |
| 15 | and including them in information provided under |
| 16 | subsection (a). |
| 17 | (2) Amount.—The amount of fees imposed |
| 18 | under paragraph (1) shall— |
| 19 | (A) in the case of a manufacturer, not be |
| 20 | greater than the cost of registering the manu- |
| 21 | facturer's product and providing product infor- |
| 22 | mation directly attributable to such manufac- |
| 23 | turer, and |
| 24 | (B) in the case of the total amount of fees, |
| 25 | not be greater than the total amount appro- |

| 1 | priated to the Secretary of Commerce for sala- |
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| 2 | ries and expenses directly attributable to reg- |
| 3 | istration of manufacturers and having products |
| 4 | included in the information provided under sec- |
| 5 | tion 1(a). |
| 6 | (3) Crediting and availability of fees.— |
| 7 | (A) IN GENERAL.—Fees collected for a fis- |
| 8 | cal year pursuant to paragraph (1) shall be |
| 9 | credited to the appropriation account for sala- |
| 10 | ries and expenses of the Secretary of Commerce |
| 11 | and shall be available in accordance with appro- |
| 12 | priation Acts until expended without fiscal year |
| 13 | limitation. |
| 14 | (B) Collections and appropriation |
| 15 | ACTS.—The fees imposed under paragraph |
| 16 | (1)— |
| 17 | (i) shall be collected in each fiscal |
| 18 | year in an amount equal to the amount |
| 19 | specified in appropriation Acts for such fis- |
| 20 | cal year, and |
| 21 | (ii) shall only be collected and avail- |
| 22 | able for the costs described in paragraph |
| 23 | (2). |

SEC. 3. PENALTY.

- 2 Any manufacturer of a product who knowingly reg-
- 3 isters a product under section 2 which is not made in
- 4 America or the equivalent thereof—
- 5 (1) shall be subject to a civil penalty of not
- 6 more than \$7500 which the Secretary of Commerce
- 7 may assess and collect, and
- 8 (2) shall not offer such product for purchase by
- 9 the Federal Government.

10 SEC. 4. DEFINITION.

- 11 For purposes of this Act:
- 12 (1) The term "made in America or the equiva-
- lent thereof" means—
- 14 (A) an unmanufactured end product mined
- or produced in the United States; or
- 16 (B) an end product manufactured in the
- 17 United States if the value of its components
- mined, produced, or manufactured in the Unit-
- ed States equals 90 percent or more of the total
- value of all of its components.
- 21 (2) The term "product" means a product with
- 22 a retail value of at least \$250.

23 SEC. 5. RULE OF CONSTRUCTION.

- Nothing in this Act or in any regulation promulgated
- 25 under section 2 shall be construed to alter, amend, modify,
- 26 or otherwise affect in any way, the Federal Trade Com-

- 1 mission Act or the opinions, decisions, and rules of the
- 2 Federal Trade Commission under such Act regarding the
- 3 use of the term "made in America or the equivalent there-
- 4 of" in labels on products introduced, delivered for intro-
- 5 duction, sold, advertised, or offered for sale in commerce.

Passed the House of Representatives August 8, 1994.

Attest: DONNALD K. ANDERSON,

Clerk.